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By Fax

September 30, 2011

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Honorable Loretta A. Preska
United States District Chief Judge
Daniel Patrick Moynihan
United States Courthouse
500 Pearl Street, Room 1320
New York, New York 10007

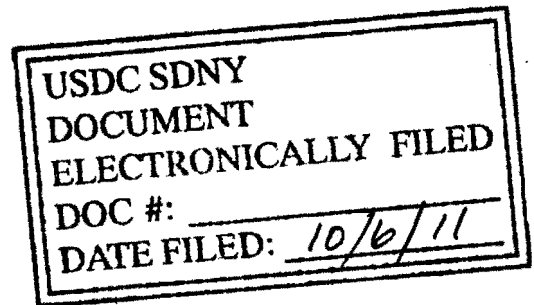
Re: Chem One, Ltd. v. M/V RICKMERS GENOA, *et al.* – SDNY – 05CV4261
St. Paul Travelers v. M/V RICKMERS GENOA, *et al.* – SDNY 05CV8841
Atlantic Coast Yacht Sales, Inc. v. M.V. RICKMERS GENOA, *et al.* – SDNY 05CV9472

Dear Chief Judge Preska,

We represent the Rickmers interests in the above-referenced consolidated actions and write on behalf of all the parties to report on our progress.

Further to our last report, ESM Group's cargo claim against Rickmers has been settled in principle. The parties are now in the process of drafting settlement documents and transferring funds. A voluntary dismissal and proposed order for this claim will be submitted to the Court in due course.

As for the Chem One interests' cargo claims, Rickmers is still considering a proposal to mutually recommend a settlement scheme that was put forward by Chem One's attorneys. As previously explained, a portion of the proposal depends on the net results of the General Average Adjustment. In order for these parties to properly assess the value of the proposal, they need some indication of how the General Average Adjustment will allocate expenses and sacrifices to the Chem One interests. It appears that preliminary figures from the Average Adjusters may be available in the next few weeks.



More importantly, both Rickmers and the Chem One interests are interested in settling the Chem One cargo claims. Once the Average Adjusters can provide specific numbers, then the parties can move forward with their settlement discussions.

Regarding the cargo claim by Atlantic Coast Yacht Sales, the attorney for Atlantic Coast Yacht Sales is still awaiting further instructions as to the offer previously made by Rickmers.

Once these three cargo claims are fully resolved, all of the active claims in the subject consolidated actions will have been resolved.

As the parties continue to work towards the settlement of the remaining cargo claims against Rickmers, we respectfully request on behalf of the parties that we be allowed additional time to continue our discussions, report by joint letter on our progress on or before October 31, 2011, and that the deadline for the pre-trial order and all other existing deadlines, including the completion of expert discovery, remain extended.

We thank this Honorable Court for its attention and understanding. If there are any questions, please do not hesitate to contact us.

SO ORDERED

Loretta A. Preska
LORETTA A. PRESKA
UNITED STATES DISTRICT JUDGE

October 5, 2011

Respectfully submitted,

CHALOS, O'CONNOR & DUFFY, LLP



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